DIVISION OF MEDICAL SERVICES
PROVIDER BULLETIN

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DURABLE MEDICAL EQUIPMENT BULLETIN

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PULSE OXIMETER REIMBURSEMENT

Effective for dates of service on or after June 1, 2006, the following changes will occur regarding reimbursement for pulse oximeters (E0445 RR EP):

- Continuous rental for a pulse oximeter will no longer be reimbursed. An oximeter will be reimbursed on a rent-to-purchase basis; and

- Monthly rental reimbursement will be reduced to $200 per month.

Prior Authorization for rental of a pulse oximeter will continue to be a requirement.

Any oximeter currently being rented by Medicaid for twelve (12) or more months is considered purchased. No further rental payments will be made. Providers may only bill for supplies and repairs needed for continued use after the initial twelve (12) month rental period.

PULSE OXIMETER SUPPLIES

All oximeters that are rented will include probes, cables, repair, education, maintenance, and periodic downloading of recorded data, as requested by the recipient's physician.

One nondisposable probe per twelve (12) month period or one (1) disposable probe per sixty (60) day period will be allowed per recipient for pulse oximeters that have been purchased. A Certificate of Medical Necessity form justifying the need for the replacement probe must be maintained in the file. The Certificate of Medical Necessity form must also justify the use of disposable probes as opposed to nondisposable probes when disposable probes are utilized.

The following represents the Medicaid maximum allowed reimbursement amount and the quantity limitations for pulse oximeter probes. Providers must not just dispense supplies simply because the quantity limitations allow it. The recipient must agree that replacement of supplies is desired and necessary; no automatic shipping of supplies is allowed. Billing for pulse oximeter probes above the quantity allowed as the usual maximum quantity, in the absence of documentation clearly explaining the medical necessity of the excess quantity, will be denied as not medically necessary. A letter of justification from the recipient's physician must be submitted with the claim form for probes in excess of those allowed.

CODE	MOD	MOD	DESCRIPTION	QUANTITY LIMITATIONS	MEDICAID MAXIMUM ALLOWABLE
A4606	NU		Oxygen probe for use with oximeter, device, replacement	1 per year	$200
A4606	NU	EP	Oxygen probe for use with oximeter device, replacement, disposable	1 per 60 days	$30

Certificate of Medical Necessity form on file with provider (do not submit)

PULSE OXIMETER REPAIR

Repairs will only be reimbursed for a pulse oximeter that is considered purchased by Missouri Medicaid. All requirements in Section 13.11 of the Missouri Medicaid DME Provider Manual must be met. The following procedure codes are to be used for billing claims for repair of a pulse oximeter.

CODE	MOD	MOD	DESCRIPTION	QUANTITY LIMITATIONS	MEDICAID MAXIMUM ALLOWABLE
E0445	RP	EP	Oximeter, noninvasive, repair	1	MP
E1340	RP		Repair or nonroutine service for DME, labor component, per 15 minutes	99	$6.75

Certificate of Medical Necessity form (must be submitted for claims processing).

A detailed description and the age of the item being repaired must be documented on the Certificate of Medical Necessity form. If there is labor to be billed, a detailed explanation of the time involved must also be listed on the Certificate of Medical Necessity form.

When billing for an approved repair, copies of the invoices showing the Manufacturer’s Suggested Retail Price, or the invoice of cost, must be submitted with the claim form. Claims are manually priced at this time, and not at the time of the approval of the Certificate of Medical Necessity.

Provider Bulletins are available on the DMS Web site at http://dss.mo.gov/dms/providers/pages/bulletins.htm. Bulletins will remain on the Provider Bulletins page only until incorporated into the provider manuals as appropriate, then moved to the Archived Bulletin site.

Missouri Medicaid News: Providers and other interested parties are urged to go to the DMS Website at http://dss.missouri.gov/dms/global/pages/mednewssubscribe.htm to subscribe to the electronic mailing list to receive automatic notifications of provider bulletins, provider manual updates, and other official Missouri Medicaid communications via e-mail.

MC+ Managed Care: The information contained in this bulletin applies to coverage for:

- MC+ Fee-for-Service
- Medicaid Fee-for-Service
- Services not included in MC+ Managed Care

Questions regarding MC+ Managed Care benefits should be directed to the patient's MC+ Managed Care health plan. Before delivering a service, please check the patient's eligibility status by swiping the red MC+ card or by calling the Interactive Voice Response (IVR) System at 573-635-8908 and using Option One.

Provider Communications Hotline
573-751-2896